



[4830-01-p]

## **DEPARTMENT OF THE TREASURY**

### **Internal Revenue Service**

#### **Low Income Taxpayer Clinic Grant Program; Availability of 2019**

#### **Supplemental Grant Application Period**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice.

**SUMMARY:** This document contains a Notice that the IRS is accepting applications from qualified organizations for a part-year Low Income Taxpayer Clinic (LITC) matching grant to provide representation to low income taxpayers and education about taxpayer rights and responsibilities to individuals who speak English as a second language (ESL taxpayers) in certain identified geographic areas. The grant will cover the last five months of the 2019 grant year, from August 1, 2019, through December 31, 2019. The supplemental application period shall run from March 19, 2019, to April 18, 2019.

**DATES:** An organization applying for part-year funding for the 2019 grant year must submit its application electronically at [www.grants.gov](http://www.grants.gov). All organizations must use the funding number of TREAS-GRANTS-052019-002, and applications must be filed electronically by 11:59 p.m. (Eastern Daylight Time) on April 18, 2019. The Federal Financial Assistance program number is 21.008. See <https://beta.sam.gov/>.

**FOR FURTHER INFORMATION CONTACT:** Bill Beard at (949) 575-6200 (not a toll-free number) or by e-mail at [beard.william@irs.gov](mailto:beard.william@irs.gov). The LITC Program

Office is located at IRS, Taxpayer Advocate Service, LTC Grant Program Administration Office, TA: LTC, 1111 Constitution Avenue, NW, Room 1034, Washington, D.C. 20224. Copies of the *2019 Grant Application Package and Guidelines*, IRS Publication 3319 (Rev. 5-2018), can be downloaded from the IRS internet site at [www.irs.gov/advocate](http://www.irs.gov/advocate) or ordered by calling the IRS Distribution Center toll-free at 1-800-829-3676

#### **SUPPLEMENTARY INFORMATION:**

In Public Law 116-6, Congress appropriated \$12,000,000 for low income taxpayer clinic grants for fiscal year 2019. Despite the IRS's efforts to foster parity in availability and accessibility in the selection of organizations receiving LTC matching grants and the continued increase in clinic services nationwide, there remain communities that are underrepresented by clinics, and consequently, not all funds appropriated for the LTC Program have been awarded. For the supplemental application period, the IRS will focus on geographic areas where there is limited or no clinic representation.

The IRS will award up to \$300,000 in funding to qualifying organizations, subject to the limitations of Internal Revenue Code (IRC) section 7526. A qualifying organization may receive a matching grant of up to \$100,000 per year. Organizations currently receiving a grant are not eligible to apply during this supplemental application period. Grant funds may be awarded for start-up expenditures incurred during the grant year. The selection process for these part-year grants may not be complete before the beginning of the application period for the 2020 grant year; thus, applicants for a part-year grant will be expected to

submit a separate application for full-year funding for the 2020 grant year during the 2020 grant application period, when announced later this year, with an anticipated opening on May 1, 2019.

Below is a list that contains the identified underserved geographic areas:

Hawaii

Montana

North Dakota

Puerto Rico

West Virginia

Wyoming

Qualifying organizations that provide representation to low income individual taxpayers involved in a tax controversy with the IRS and educate ESL taxpayers about their rights and responsibilities under the RC are eligible for a grant. An LTC must provide services for free or for no more than a nominal fee. Examples of qualifying organizations include (1) a clinical program at an accredited law, business, or accounting school whose students represent low income taxpayers in tax controversies with the IRS and (2) an organization exempt from tax under IRC section 501(a) whose employees and volunteers represent low income taxpayers in controversies with the IRS and may also make referrals to qualified volunteers to provide representation.

In determining whether to award a grant, the IRS will consider a variety of factors, including: (1) the number of taxpayers who will be assisted by the

organization, including the number of ESL taxpayers in that geographic area; (2) the existence of other LITCs assisting the same population of low income and ESL taxpayers; (3) the quality of the program offered by the organization, including the qualifications of its administrators and qualified representatives, and its record, if any, in providing representation services to low income taxpayers; (4) the quality of the application, including the reasonableness of the proposed budget; (5) the organization's compliance with all federal tax obligations (filing and payment); (6) the organization's compliance with all federal nontax monetary obligations (filing and payment); (7) whether debarment or suspension (31 CFR Part 19) applies or whether the organization is otherwise excluded from or ineligible for a federal award; and (8) alternative funding sources available to the organization, including amounts received from other grants and contributors and the endowment and resources of the institution sponsoring the organization.

## **Background**

Section 7526 of the IRC authorizes the IRS, subject to the availability of appropriated funds, to award qualified organizations matching grants of up to \$100,000 per year for the development, expansion, or continuation of low income taxpayer clinics. A qualified organization is one that represents low income taxpayers in controversies with the IRS and informs ESL taxpayers of their taxpayer rights and responsibilities and does not charge more

than a nominal fee for its services (except for reimbursement of actual costs incurred).

A clinic will be treated as representing low income taxpayers in controversies with the IRS if at least 90 percent of the taxpayers represented by the clinic have incomes that do not exceed 250 percent of the federal poverty level. In addition, the amount in controversy for the tax year to which the controversy relates generally cannot exceed the amount specified in IRC section 7463 (currently \$50,000) for eligibility for special small tax case procedures in the United States Tax Court. The IRS may award grants to qualified organizations to fund one-year, two-year, or three-year project periods. Grant funds may be awarded for start-up expenditures incurred by new clinics during the grant year.

### **Mission Statement**

Low Income Taxpayer Clinics ensure the fairness and integrity of the tax system for taxpayers who are low income or speak English as a second language by: providing *pro bono* representation on their behalf in tax disputes with the IRS; educating them about their rights and responsibilities as taxpayers; and identifying and advocating for issues that impact these taxpayers.

### **Selection Consideration**

Applications that pass the eligibility screening process will undergo a Technical Evaluation and must receive a minimum score to be considered further.

Applications achieving the minimum score will be subject to a Program Office evaluation. The final funding decision is made by the National Taxpayer Advocate, unless recused. The costs of preparing and submitting an application

are the responsibility of each applicant. Applications may be released in response to Freedom of Information Act requests. Therefore, applicants must not include any individual taxpayer information in the application narrative. Each application will be given due consideration and the LTC Program Office will notify each applicant once funding decisions have been made.

**Nina E. Olson,**

*National Taxpayer Advocate.*

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